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Twenty Years of Natural Gas Choice and Competition

Pennsylvania – Natural Gas

The Pennsylvania Public Utility Commission highlighted the 20th Anniversary of *The Natural Gas Choice and Competition Act* that gave residential and business customers the ability to purchase gas from independent suppliers. *“We have come a long way in the last 20 years. More than three million Pennsylvanians now receive natural gas service, and more than 435,000 customers currently get their*

natural gas supply from competitive natural gas suppliers – accounting for nearly half of Pennsylvania’s total load of natural gas usage.” said Public Utility Commission Chairman Gladys Brown Dutrieuille. The Chairman also praised the ongoing work of the Commission’s Office of Competitive Market Oversight in promoting the development of competitive markets.

Large Customer Renewable Energy Competitive Supply Program

South Carolina – Electric

South Carolina Governor, Henry McMaster, signed legislation that requires the development of a program to allow large customers to direct their utility to purchase renewable energy from a competitive provider on the customer's behalf. The bill directs the creation of a renewable energy competitive supply program for large customers, with program implementation left to the South Carolina Public Service Commission. The bill defines ‘*eligible customer*’ to mean a retail customer with a new or

existing contract demand greater than or equal to one megawatt at a single-metered location or aggregated across multiple-metered locations. The program will provide for the customer having the right to select the renewable energy facility and negotiate with the renewable energy supplier on the price paid for the energy, capacity, and environmental attributes of the renewable energy facility and the term of such agreement.

Expanding Direct Access Load

California – Electric

The California Public Utilities Commission has approved the expansion of the statutory increase in direct access load (competitive electric supply) of 4,000 gigawatt-hours. This additional allowance of

competitive electric supply activity will be apportioned to the three large investor-owned utilities: Pacific Gas & Electric, Southern California Edison and San Diego Gas & Electric.

Supplier Consolidated Billing

Maryland – Electric & Natural Gas

The Maryland Public Service Commission has given the green light to supplier consolidated billing for retail electric and natural gas supply customers. Implementation will not take place immediately as implementation aspects will need to be addressed

through a working group. However, once instituted, this would allow a competitive supplier to present one bill to the customer that includes the supplier's charges for supply along with the utility charges for delivery.

Minimum Stay Provision Eliminated for Commercial Customers

District of Columbia – Electric

The minimum stay provision requires that a commercial customer who leaves Standard Offer Service (utility-provided electric supply service), and then procures service from a competitive electricity supplier, and then subsequently returns, must then stay on Standard Offer Service it for a minimum of 12

months. The Public Service Commission of the District of Columbia noted that there was unanimous support in eliminating the minimum stay provision and that doing so will provide commercial customers with the same customer choice flexibility that residential customers currently have.

Large Electricity Consumers May Be Allowed to Shop for Supply

Arizona – Electric

The Arizona Corporation Commission is considering allowing large electricity consumers to shop for electric power. A proposal before the Commission could affect Arizona Public Service, Tucson Electric Power and the state's largest electric cooperatives. Under a proposal released by Commission staff, non-residential customers with monthly demand of more than 100 kilowatts could shop for electricity from

third-party providers (customers that do not meet the 100-kilowatt threshold could pool their demand within a utility's service territory and shop for power if they meet the threshold). In addition, municipalities could form community choice aggregations under the proposal and could procure power on behalf of their residents, businesses and municipal accounts.

Long-Term Renewable Energy Contract Approval

Massachusetts – Electric

The Massachusetts Department of Public Utilities has approved a long-term contract for the 800-megawatt Vineyard Wind farm being developed offshore. The Department stated that developer Vineyard Wind, a partnership between Avangrid Renewables and

Copenhagen Infrastructure Partners, has committed \$15 million to a fund that will invest in battery storage projects in low-income communities and the project is due online by 2022.

Status of Electric Competition

Illinois – Electric

The Illinois Commerce Commission Office of Retail Market Development issued its annual report on the status of competition in the retail electric industry. For 2019: (1) the number of retail energy suppliers was 108 in comparison to 103 for the prior year; (2)

the number of certified agents/brokers/consultants rose from 399 in 2018 to 433; and (3) there were 228,720 non-residential customers on alternative retail electric supply – a slight increase over 2018.

New York ISO Issues Power Trends Report

New York – Electric

The New York Independent System Operator (NY-ISO) issued its annual *Power Trends* report that provides an in-depth look at the forces shaping the future of the New York State electric grid. The 2019 report focuses on how new technologies and public policy are shaping a more dynamic power grid. New York’s policymakers envision an electric grid that will include large amounts of renewable, intermittent resources such as solar and wind, along with energy storage and behind-the-meter resources. Major findings from the report include the following: (1) Power plants fueled by natural gas provide 59 percent of New York’s total generating capacity and 49 percent of New York’s total generating capacity is comprised of dual-fuel units. (2) The New York grid is

characterized by stark regional differences, as the downstate supply mix is less diverse than the upstate supply mix. Several factors have resulted in the power demands of New York City and Long Island being served with local generation primarily fueled by natural gas. These factors include transmission constraints and reliability standards that establish local generation requirements in the downstate region. However, many of these are dual-fuel units capable of using oil when necessary — which provides fuel diversity and reliability benefits to the system. (3) Higher natural gas prices drove wholesale electric energy costs in 2018. The average wholesale electric energy price (\$44.92 per megawatt-hour) was up significantly from \$36.56 in 2017.

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